VZCZCXRO9787 PP RUEHDBU RUEHFL RUEHKW RUEHLA RUEHROV RUEHSR DE RUEHBW #0750/01 1501148 ZNY CCCCC ZZH P 301148Z MAY 07 FM AMEMBASSY BELGRADE TO RUEHC/SECSTATE WASHDC PRIORITY 0910 INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE PRIORITY RUEAIIA/CIA WASHDC PRIORITY RHMFISS/HQ USEUCOM VAIHINGEN GE PRIORITY RHEHNSC/NSC WASHDC PRIORITY 1352 RUEKJCS/SECDEF WASHDC PRIORITY RHMFISS/COMUSNAVEUR NAPLES IT PRIORITY

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FROM THE AMBASSADOR FOR U/S BURNS, EUR A/S FRIED, EUR PDAS DICARLO AND AMBASSADOR WISNER NSC FOR ANSLEY

E.O. 12958: DECL: 05/30/2017 TAGS: PREL PGOV PBTS YI SR SUBJECT: SERBIAN PRIME MINISTER ON KOSOVO AND NEW GOVERNMENT PROGRAM

Classified By: AMBASSADOR MICHAEL C. POLT FOR REASONS 1.4(B) AND (D)

 $\P 1$. (C) On 5/29, in our first meeting since the formation of the new Serbian government, I told Prime Minister Kostunica that we are in full agreement with four of the "five principles" of the new governing coalition, but remain concerned that the fifth -- Serbia's Kosovo policy --- will undermine success of the other goals. (Note: The four principles with which we agree are European integration, ICTY cooperation, social/economic development and fight against corruption/organized crime. End note.) In his most conciliatory statement to me so far on Kosovo, Kostunica told me that if there is a new UNSC resolution and Kosovo becomes independent, Serbia and the US would be able to "settle issues" without affecting the rest of the bilateral relationship. He also added that Serbia "will not oppose any UNSC resolution." I also asked him directly if putting Tadic in charge of the new GOS National Security Council (which will oversee ICTY cooperation) meant that the Prime Minister was off the hook on ICTY and Mladic. Kostunica sought to convince me that he and Tadic share the duty. "He presides, but I am also responsible."

Kosovo

- $\P2$. (C) On Kosovo, the Prime Minister very much wanted to wait and see what happens in the next days and declined to forecast Serbia's next steps. He said he still hopes for a compromise, citing the President's phone call with Putin and their upcoming meeting at the G8 summit as potential for a resolution that Serbia can support. He did not dwell on Russia or the UNSC, stating simply that Serbia will "not oppose any UNSC resolution" but hoped the body would "respect the UN charter and Serbia's territorial integrity." I assured him that our position supporting supervised independence was firm and that we do not expect US-Serbia relations to suffer, unless Serbia crosses our very significant redline by undermining of Kosovo's new status.
- (C) I raised the issue of church reconstruction in Kosovo, and flagged for him the unhelpful and counterproductive comments and actions by hardline Kosovo Serb elements including Bishop Artemije that were obstructing the effort. I told him of the importance the USG attaches to ensuring that the churches damaged in the events of 2004 must be rebuilt and the Kosovo Albanians are under intense pressure from us to do so. I described how counterproductive it is

for us when the leaders in Pristina report back to us that there is objection from within the Orthodox Church (SOC). The Prime Minister and his advisor Vladeta Jankovic suggested that there was institutional inertia within the SOC and the other eastern churches to resist help from "the West" and that Artemije was probably worried that SOC buildings and sites in Kosovo would change from Serbian heritage to Kosovo heritage. Jankovic, however, went so far as to call Artemije a "loose cannon" and that the resistance of the SOC to the rebuilding was "not rational or political" but simply the nature of the church. I told him the USG approaches this from a much more practical position -- the Kosovo Albanians broke the churches, so they have to fix them. Kostunica returned to attacking the Ahtisaari plan in general, saying that it treated churches and monasteries more like museums than living communites, and that the document made the sites sound like they are part of Kosovo's and not Serbia's "medieval cultural heritage."

ICTY

14. (C) I asked the Prime Minister about the composition and timeline for constituting the new National Security Council and going operational. Kostunica said it would be a "matter of days" for the composition to be approved official, and said that Ministers and chiefs of the relevant services will be represented. He cited the EU and others' consistent complaints about Serbia's "lack of coordination between services" and said that this new body would address these issues directly. He reasserted that the GOS' position on ICTY indi ctees, including Mladic, was their "arrest and transfer to The Hague." Kostunica said he was "tired" of ICTY prosecutor Del Ponte's "stories" claiming that the GOS

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knew about Mladic's whereabouts or complicity in hiding him, and said that these assertions had "damaged" Serbia unnecessarily. He said he "felt better" with Tadic at the helm of the new NSC -- and I asked him directly if this was because it meant Tadic was in charge and Kostunica was off the hook. He told me pointedly that he and the President share responsibility. At my urging, he admitted that the NSC would need some kind of operational arm to move from process to results. Responding to my suggestion for an "oval office" call by him and Tadic or the NSC for all out action on Mladic's arrest, he added that the NSC "will find a way to send a strong message" to Serbia about the importance of ICTY cooperation, but stressed that "the only solution" is to find Mladic.

Economy

- 15. (C) I reminded Kostunica that in my reading the main priority for Serbs was economic growth and jobs -- not Kosovo -- and asked him if thought that GOS statements about Kosovo independence "causing instability" would obstruct badly needed foreign investment in Serbia. Kostunica said that since Kosovo reflects the territorial integrity of the country, it must supersede all the other pressing issues, but that economic development and investment were still very much a top priority. He and Jankovic both made sure to clarify that they expected only "political instability" in the region and that "would not directly influence" prospects for foreign investors in Serbia. He shrugged off the recent trend of commercial truck traffic circumventing Serbia and dropping by 40% since Bulgaria and Romania entered the EU, saying that Serbia's main highway was not yet finished and that he was satisfied with future prospects.
- 16. (C) In the end, Kostunica was confident about the prospects for the Spring Coalition -- he cited his experience with coalition governments and noted the importance that "all major democratic parties" are now in the government. He said that "doubting Thomases" had predicted the demise of the

previous government for years and was encouraged specifically with his and Tadic's "unity on Kosovo." POLT